

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 626 - HB 894

February 27, 2011

SUMMARY OF BILL: Removes the requirement that manufacturers of intoxicating liquors must obtain a certificate of compliance from local government before being eligible for a retail license. Authorizes a manufacturer with a retail license to sell merchandise such as t-shirts, glassware, hats, or other novelty items bearing the manufacturers name.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- According to the Alcoholic Beverage Commission (ABC), approximately three retail licenses are issued annually to manufacturers.
- The provisions of the bill may expedite the retail application process for a manufacturer who meets all other requirements. Any decrease in the length of the application process will have a not significant impact on revenue.
- According to ABC, there is no charge for certificates of compliance issued in Davidson County. Eliminating the requirement that manufacturers obtain a certificate of compliance will result in a not significant decrease to local revenue.
- A manufacturer is currently authorized to sell only products manufactured or distilled on its premises in novelty 750 ml decanters. Any increase in sales tax resulting from the sale of additional items will be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White".

James W. White, Executive Director

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